

SENATOR SIMON: Mr. President, members of the Legislature, I, too, rise to support the Burrows amendment and I want to bring to attention a couple of articles in the paper which the members of the body may or may not be familiar with and two in particular. One, I think is most important especially since he is not here this morning, are some comments that were made by Senator John DeCamp who is Chairman of the Committee. I'll just quote these verbatim out of the newspaper article. "Senator DeCamp said, 'that all parties involved before taking action on this should have met with representatives of the Department, the Administrative Services, The Department of Banking and Finance, the Small Loan Industry representatives, and the Legal Aid Society to resolve discrepancies in the profit and loss figures involving the companies.'" They did not do that. Senator DeCamp did not support the bill. The other point that I wish to bring to the attention of this body then is the clarification of some figures. Now I can only assume that Senator Nichol introduced this bill because a need was supposedly expressed to him by the small loan companies, the fact that they had been losing money and that they needed to raise the interest rates so they could make a profit. Certainly a very commendable reason, however, the figures that were reported to the Committee and that the State Banking Director had originally reported that the small loan companies in 1975 lost \$53,179.00. Yet a short time later, Mr. Riley reported to the Legislature that in fact, they made a profit that year of \$434,000, a discrepancy of approximately one half million dollars. That, fellow colleagues, is a rather sizeable discrepancy. That is a rather sizeable difference from being in the hole, being in the red, \$50,000, to being in the black, almost a half a million dollars. Senator Nichol, I can only assume that the intent and purpose of this bill was to take care of those interests who supposedly were going broke, who supposedly needed this type of rate increase so that they could stay in business. I would love to be able to stay in business, having made the type of profits that the small loan companies made last year and then to turn around and have somebody put the frosting on the cake and say, well, my goodness, Mr. Simon, you have not made enough money this year. We will increase the interest rates that you can use for another 2%. How much money do we have to get out of the people in this state? This is inflationary, it is totally unjustified. I think the figures clearly indicate the loan companies made a very sizeable profit, so unless, Senator Nichol, you can convince me otherwise, and we'll go by the figures the State Banking Department, I would say that a half million dollars is a very sizeable profit. I support Senator Burrows on the kill motion and would urge members to do likewise.

SPEAKER LUEDTKE: Before we go on, the Chair would like to introduce on behalf of Senator Kelly, two plumbers from Grand Island. This is the way Senator Kelly asked me to introduce these people. Sherril Christenson and Cindy Luth. They are under the south balcony. Would they stand and be recognized. We don't have plumbers like that in Lincoln, Senator Kelly, I can tell you that. Okay, the Chair recognizes Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman, members of the Legislature, I look at the amendments that Senator Burrows had offered and I wouldn't have accepted this kind of bill in any way, shape or form because while bargains are being struck I'm never consulted so I have to go according to my own principles and what seems right to me. This is the loan shark bill. They could call it Jaws Jr. It's daddy has been before us and